who are Members of the Prime Minister's Trade and Advisory Council and who are associated with some leading Business Houses owe a substantial amount to the IFCI Limited as outstanding loans; and

(d) if so, the details thereof and steps proposed to be taken to recover the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The IFCI Limited has been facing liquidity constraint and has also been incurring operational losses. Consequently, it has not been able to meet the regulatory norms in respect of Capital Adequacy and Borrowings *visa-vis* Net Owned Funds.

(c) and (d) The IFCI has reported that certain Groups of Companies, with whom 6 industrialists are associated and who are members of the Prime Minister's Trade and Advisory Council, owed a sum of Rs. 89.59 crore out of total outstanding assistance of Rs. 2222.31 crore and interest of Rs. 195.57 crore as on 31.12.2002. For recovery of defaults, various steps including restructuring and vigorous follow-up are being adopted by IFCI Limited.

In accordance with the practice and usages customary among the banks and in conformity with the provisions of the statutes governing the financial institutions as also provisions of the Public Financial Institutions (Obligations as to Fidelity and Secrecy) Act, 1983, information in respect of the individual constituents of the Public Financial Institutions cannot be divulged.

Fiscal freedom to States

3276. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Government of Andhra Pradesh has been demanding fiscal freedom for the State Government;

(b) if so, the details thereof;

(c) whether any formal request to this effect has been received by Government; and

(d) if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) The State Government while submitting the report on 11th Finance Commission, had requested for abolition of all Centrally Sponsored Schemes and transfer of the money currently being spent on the Schemes to the State.

(d) Planning Commission had undertaken a Zero Based Budgeting (ZBB) exercise in consultation with Central Ministries/Departments which was presented in the meeting of the National Development Council Committee on Transfer of Centrally Sponsored Schemes (CSS) held on 21.8.2002. As per the ZBB exercise out of 360 CSS in existence in the Ninth Plan, 9 CSS have been identified for transfer to the States, 49 CSS are to be weeded out, 161 CSS would be merged into 53 CSS. AS a result in the 10th Plan, 194 CSS would be in operation. Out of the 9 schemes identified for transfer two schemes pertaining to Ministry of Rural Development *viz.* National Social Assistance programme and Annapurna have already been transferred to the States and Additional Central Assistance have been provided to States for implementing these schemes with considerable flexibility and freedom of choice granted to the States in implementing these schemes.

Reduction in administrative staff of PSUs

3277. SHRI R.P. GOENKA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) what is the actual ratio of management costs to total sales in PSUs;

(b) how far dees this ratio differ from the norms; and

(c) how does Government propose to reduce the excess administrative staff which has made the PSUs top heavy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) The information is being collected and will be laid on the table of the House.

Rate of tax on diesel and petrol

† 3278.SHRIKAPILSIBAL:
SHRI RAM JETHMALANI:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

---

†Original notice of the question was received in Hindi.